Multifamily Tenant Characteristics System (MTCS)

Tenant Rent Calculation Report Guide
September 1999

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1. Summary

The *Tenant Rent Calculation Discrepancy Report* provides a list of families, the PHA reported rent, MTCS calculated rent, and the amount of over- or under-charge. MTCS reports all calculated rents that differ from reported rents by more than $10 as a discrepancy.

The *Tenant Rent Calculation Discrepancy Report* displays data on Public Housing, Indian Low-Rent, Indian Mutual Help, Indian Housing, Section 8 Certificates, Section 8 Vouchers, and Section 8 Moderate Rehabilitation.

This guide help users:

- Access the *Tenant Rent Calculation Discrepancy Report*
- Understand MTCS report data fields
- Interpret and use the data contained in the report

* This guide is for the *Tenant Rent Calculation Discrepancy Report* and is not intended to be a sole source for MTCS report users. For information on other reports, please go to:

www.hud.gov/pih/systems/mtcs/document.html

2. Tenant Rent Calculation Discrepancy Report

From the *MTCS Main Menu*,

- Use your mouse to click on the words 'MTCS Reports'
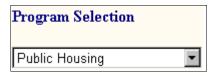
MTCS Reports

The *MTCS Selection Menu* appears on your screen.

2.1. Program Selection

From the Selection Menu, you must select a single program type to view this report.

Single program types include:

1. Public Housing
2. Indian Mutual Help
3. Indian Rental
4. Section 8 Certificates
5. Section 8 Vouchers
6. Section 8 Moderate Rehabilitation

- Use your mouse to select a program from the drop-down box

Program Selection

Public Housing

2.2. Level of Information

Once you have selected a program, you must select a level of information.

To view the *Tenant Rent Calculation Discrepancy Report*, you must select either:

1. Housing Agency
2. Project (Public & Indian Housing only)

- Use your mouse to select a level of information

⊙ Housing Agency

* For detailed information on how to select a 'level of information,' look on the MTCS documentation web site:

www.hud.gov/pih/systems/mtcs/document.html

2.3. Select the Tenant Rent Calculation Discrepancy Report

After you complete the 'level of information' selection,

- Click on the **'Report Menu'** button

The *MTCS Report Menu* appears on your screen.

- Use your mouse to select the *Tenant Rent Discrepancy Report*

Tenant Rent Calculation Discrepancy

3. Data Field Definitions

Definitions apply to selected 'program type' and 'level of information.'

The *Tenant Rent Calculation Discrepancy Report* has thirteen data fields.

Data Field	Data Field Definition
Head of Household's Name	Head of household's (HOH's) name from the Form HUD-50058
Head of Household's SSN	HOH's Social Security Number from the Form HUD-50058
HA Code	HA state and HA number from the Form HUD-50058
Program	Program from the Form HUD-50058
Project Code *Public and Indian Housing only*	Project state and project number from the Form HUD-50058
Site Number *Public and Indian Housing only*	Site number or suffix, if applicable, from the Form HUD-50058
Family Subsidy Status	Family Subsidy Status from the Form HUD-50058 Family Subsidy Status Categories: • (E) Eligible for Full Assistance • (P) Prorated Assistance • (N) Not Subject to the Noncitizens Rule
Number of Family Members	Number of family members
Number of Family Members Eligible for Full Assistance Under the Non-citizens Rule	Number of family members eligible for full assistance under the Non-citizens rule of 1995
Tenant Rent Calculated ($)	MTCS calculated rent
Tenant Rent Reported ($)	Form HUD-50058 reported rent
Over-charge ($)	Family over-charge amount Over-charge: • Occurs when the reported tenant rent exceeds the MTCS calculated tenant rent
Under-charge ($)	Family under-charge amount Under-charge: • Occurs when the MTCS calculated tenant rent is less than the reported tenant rent

4. Report Applications

There are a variety of different uses for MTCS reports. This section highlights some of the important data fields in the report and describes the ways MTCS users can use the data contained in this report

HUD intends users to challenge information contained in MTCS reports because often, upon further investigation, the problems or issues may be different than they appear in MTCS. Use MTCS data and reports as a starting point for discussion, investigation, research, and analysis.

4.1. Key Data Fields

- **Tenant Rent Calculated** field provides users with the MTCS calculated rent based on the income and family information provided by the PHA.

- **Tenant Rent Reported** field indicates what the PHA reported the rent to MTCS.

- **Over-charge** calculates the difference between the MTCS-calculated rent and the tenant rent reported by the PHA. MTCS considers anything over $10 as a discrepancy.

- **Under-charge** occurs when the MTCS calculated rent is less than the reported tenant rent. MTCS considers anything over $10 as a discrepancy.

4.2. PHA Uses for the Report

- **Assess and improve performance**

PHAs can use the Tenant Rent Calculation Discrepancy Report to obtain the name, Social Security number and project number for each household identified in MTCS as over- or under-paying rent. MTCS uses the data reported by the PHA on Form HUD-50058 to calculate the tenant rent based on the rules for each program. If the calculated rent differs from the reported rent by more than $10, MTCS reports the household as a discrepancy.

Common errors that may provide a starting point to resolve rent discrepancies include:

- **Missing or unreported data.** PHAs that calculate rents manually and enter the results into software for transmission to MTCS occasionally make data entry errors or leave out essential pieces of information.

- **Deduction errors.** A rent calculation error may result if the PHA fails to designate a household member as a dependent or if the PHA gives a dependent deduction to an unqualified household member. A simple way to determine if an identified error is related to the number of dependents is to calculate whether the amount of the error is a multiple of $12. If rent discrepancies are primarily in the $1 - $10 range, check to see if the elderly deduction is applied correctly. Deduction errors of this type often result in a $10 per month discrepancy.

It is important that all PHAs continue to submit the October 1999 version of Form HUD-50058. Recent changes to this Form are, in part, designed to help eliminate the incidence of rent discrepancies and implement aspects of the Public Housing Reform Law.

4.3. HUD Uses for the Report

- **Assess PHA performance and monitor quality**

HUD staff can use the report to obtain lists of individual households, the rent reported by the PHA, the rent calculated by MTCS, and the amount of the over- or under-charge. Prior to a site visit, Field Office or TARC staff may want to print a copy of a PHA's Tenant Rent Discrepancy Report to examine PHA rent calculation procedures and verifies the PHA reports information to MTCS appropriately.

One Field Office used this report while on-site and discovered that the PHA did not include all of the income of working families when it performed rent calculations. Field Office staff determined that the PHA deducted its optional earned-income exclusions incorrectly. The Field Office noticed this problem when it compared the PHA's earned income averages from the Income Report to other PHAs in the state. The Income Report showed that this PHA's average earned income was dramatically below average. The Field Office then followed up with PHA while on-site using the Tenant Rent Discrepancy Report.